

The Gazette of India



EXTRAORDINARY PART II—Section 2 PUBLISHED BY AUTHORITY

No. 46] NEW DELHI, MONDAY, NOVEMBER 19, 1962/KARTIKA 28, 1884

LOK SABHA

The following Bills were introduced in Lok Sabha on the 19th November, 1962:—

*BILL NO. 110 OF 1962

A Bill to provide for the administration of Pondicherry and for matters connected therewith.

BE it enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Pondicherry (Administration) Act, 1962. Short title,
extent and
commence-
ment.

5 (2) It extends to the whole of Pondicherry.

(3) It shall be deemed to have come into force on the 16th day of August, 1962.

2. In this Act, unless the context otherwise requires,—

Definitions.

10 (a) "Administrator" means the Administrator of Pondicherry appointed by the President under article 239 of the Constitution;

(b) "appointed day" means the 16th day of August, 1962, being the date of entry into force of the Treaty of Cession;

15 (c) "former French Establishments" mean the territories which immediately before the appointed day were comprised in the French Establishments in India known as Pondicherry, Karikal, Mahe and Yanam;

(d) "High Court" means the High Court at Madras;

20 (e) "law" means any Act, Ordinance, Regulation, rule, order, bye-law, decree or other provision (by whatever name called) having the force of law;

*The President has, in pursuance of clauses (1) and (3) of article 117 of the Constitution of India, recommended to Lok Sabha the introduction and consideration of the Bill.

(f) "Pondicherry" means the Union territory comprising the territories of the former French Establishments;

(g) "Treaty of Cession" means the treaty concluded between France and India on the 28th day of May, 1956, establishing the cession of the French Establishments by France to India in full sovereignty. 5

Officers and
functionaries
in relation to
Pondicherry.

3. Without prejudice to the powers of the Central Government to appoint from time to time such officers and authorities as may be necessary for the administration of Pondicherry, all courts, tribunals, authorities and officers, whether in India or in the former French Establishments, who, immediately before the appointed day, were exercising lawful functions in connection with the administration of those Establishments or any part thereof, including the Council of Government and the Representative Assembly, shall, unless otherwise directed at any time by the Central Government or the Administrator in relation to any such court, tribunal, authority or officer, or until other provision is made by law, continue to exercise in connection with the administration of Pondicherry their respective powers and jurisdiction and perform their respective duties and functions in the same manner and to the same extent as before the appointed day with such altered designation, if any, as that Government may determine. 15 20

Continuance
of existing
laws and
their adap-
tation.

4. (1) All laws in force immediately before the appointed day in the former French Establishments or any part thereof shall continue to be in force in Pondicherry until amended or repealed by a competent Legislature or other competent authority: 25

Provided that references in any such law to the President or Government of the French Republic shall be construed as references to the Central Government, references to the Governor of the French Establishments in India, to the Commissioner of the Republic for the French Establishments in India, to the Chief Commissioner for the French Establishments, to the Chief Commissioner of the State of Pondicherry or to the Chief Commissioner, Pondicherry shall be construed as references to the Administrator of Pondicherry and references to the State of Pondicherry shall be construed as references to Pondicherry. 30

(2) For the purpose of facilitating the application of any such law in relation to the administration of Pondicherry and for the purpose of bringing the provisions of any such law into accord with the provisions of the Constitution, the Central Government may, within three years from the appointed day, by order, make such adaptations and modifications, whether by way of repeal or amendment, as may be necessary or expedient and thereupon every such law shall have effect subject to the adaptations and modifications so made. 35 40

5. For the avoidance of doubt, it is hereby declared that all property and assets within Pondicherry which, immediately before the appointed day, vested in the Government of the French Republic shall, save as otherwise expressly provided in the Treaty of Cession, vest in the Union.

6. Subject to the provisions of the Treaty of Cession, all rights, liabilities and obligations of the Government of the French Republic in relation to or arising out of the administration of the former French Establishments shall, as from the appointed day, be the rights and obligations of the Central Government.

7. All taxes, duties, cesses and fees which, immediately before the appointed day, were being lawfully levied in the former French Establishments or any part thereof shall continue to be levied in Pondicherry and to be applied to the same purposes, until other provision is made by a competent Legislature or other competent authority.

8. The Central Government may, by notification in the Official Gazette, extend with such restrictions and modifications as it thinks fit, to Pondicherry any enactment which is in force in a State at the date of the notification.

9. As from the 6th day of November, 1962, the jurisdiction of the High Court shall extend to Pondicherry.

10. (1) Without prejudice to the generality of the provisions of section 9, the High Court shall have, in respect of Pondicherry, all such jurisdiction as under the law in force immediately before the appointed day was exercisable in respect of the former French Establishments by the Cour de Cassation, the Cour Supérieure d'Arbitrage and the Conseil d'Etat of France:

Provided that while determining appeals from decisions of courts and tribunals in Pondicherry, the High Court shall, as far as may be, follow the same procedure and have the same power to pass any judgment, decree or order thereon, as it follows and has while determining appeals from decisions of courts in the State of Madras.

(2) All appeals and other proceedings from or in respect of any judgment, decree or order of any court or tribunal in the former French Establishments pending immediately before the appointed day before the Cour de Cassation or the Cour Supérieure d'Arbitrage or the Conseil d'Etat of France and all original proceedings in relation to those Establishments pending immediately before the

appointed day before the Conseil d'Etat shall, by virtue of this Act, stand transferred to the High Court and shall be disposed of by the High Court in the exercise of jurisdiction conferred on it by this Act, as if such appeals and other proceedings had been filed before the High Court.

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Explanation.—All appeals and other proceedings filed before the appointed day but not transmitted to the Cour de Cassation or the Cour Supérieur d'Arbitrage or the Conseil d'Etat shall be deemed to be appeals or proceedings, as the case may be, pending before that Court for the purposes of this sub-section.

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Advocates
entitled to
practise
before High
Court.

11. Notwithstanding anything contained in the Advocates Act, 1961, but subject to such rules as may be framed by the High Court, any person who is entitled to practise before the Tribunal Supérieur d'Appel at Pondicherry shall be recognised as an advocate entitled to practise in the High Court in relation to cases coming before the High Court from Pondicherry.

25 of 1961.

Power of
High Court
to make
rules,

12. The High Court may, from time to time, make rules, consistent with this Act, to provide for all or any of the following matters, namely:—

(a) the translation of any papers filed in the High Court and the preparation of paper books for hearing all appeals and the copying, typing or printing of any such papers or translation and the recovery from the persons at whose instance or on whose behalf papers are filed of the expenses thereby incurred;

(b) the court-fees payable for instituting proceedings in the High Court, the fees to be charged for processes issued by the High Court or by any officer of the court and the amount payable in any proceeding in the High Court in respect of fees of the advocate of any party to such proceeding;

(c) the procedure to be followed in the High Court;

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(d) the approval, admission, enrolment, removal and suspension of advocates from Pondicherry.

Validation
of certain
orders and
decree.

13. (1) Every order or decree purported to have been made by the Cour de Cassation, the Cour Supérieur d'Arbitrage or the Conseil d'Etat of France during the period commencing on the first day of November, 1954, and ending on the appointed day, in any appeal or other proceeding from, or in respect of any judgment, decree or order of any court, tribunal or other authority in the former French Establishments shall be deemed to have been validly made, in accordance with law; and shall for all purposes have effect as if it were an order or a decree made by the High Court in the exercise of the jurisdiction conferred by this Act.

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(2) Notwithstanding anything contained in sub-section (1), where any decision has been rendered after the 17th March, 1960, by any court in France in any case in which the respondent had no opportunity to appear for want of service of summons transmitted
5 through the Administration of the former French Establishments, such decision shall be deemed never to have been rendered and shall be deemed to be pending before the court by which such decision was rendered and accordingly stand transferred to the High Court or, as the case may be, to the court in Pondicherry corresponding to the
10 court in France in which the case shall be deemed to be pending.

(3) As soon as may be after the 6th day of November, 1962, the Administrator shall transmit to the High Court or, as the case may be, to the corresponding court, the record of every such case as is referred to in sub-section (2), together with a certificate that the
15 summons in that case was not served on the respondent.

14. (1) The periods of limitation for appeals to the High Court shall be as set out below:—

Limitation
for appeals.

S. No.	Description of appeal	Period of limitation	Time from which period begins to run
20	1. Civil Appeal against any judgment or order.	90 days	The date of the judgment or order.
	2. Criminal Appeal against a sentence of death.	7 days	The date of sentence.
25	3. Criminal Appeal against any sentence or order other than a sentence of death.	30 days	The date of the sentence or order.
	4. Criminal Appeal against an order of acquittal.	90 days	The date of the order of acquittal.
30	5. Labour Appeal under section 207 of the French Labour Code, 1952.	30 days	The date of the judgment or order.
	6. Labour Appeal under section 216 of the French Labour Code, 1952.	30 days	The date on which the report and the recommendation of the expert are communicated to the party appealing.
35	7. Appeal against a judgment or order of the Administrative Tribunal at Pondicherry.	90 days	The date of the judgment or order.

(2) Except in the case of a Criminal Appeal against a sentence of death, in computing the period of limitation, the time taken for
40 obtaining a certified copy of the judgment, order, report and recommendation, appealed against, as the case may be, shall be excluded.

(3) In the case of an appeal preferred by an accused person under sentence and in custody, the date on which he lodges the memorandum of appeal with the Superintendent of the Jail in which he is detained shall be deemed to be the date of presentation of the appeal in the High Court. 5

(4) Any appeal may be admitted after the period of limitation prescribed therefor when the appellant satisfies the Court that he had sufficient cause for not preferring the appeal within such period.

Saving of
limitation in
certain cases.

15. In computing the period of limitation under section 14 or under any other law, any period during which an appeal could not be filed 10 or a proceeding could not be instituted because the jurisdiction of the High Court did not extend to Pondicherry shall be excluded.

Rule of
construction.

16. References in any law in force in Pondicherry to the Cour de Cassation, the Cour Supérieur d' Arbitrage or the Conseil d' Etat shall be construed as references to the High Court. 15

Power to
construe
laws.

17. For the purpose of facilitating the application of any law in relation to Pondicherry, any court or other authority may construe any such law in such manner not affecting the substance, as may be necessary or proper to adapt it to the matter before the court or other authority. 20

Effect of
other laws.

18. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law in force in Pondicherry.

Power to
remove diffi-
culties.

19. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the 25 Official Gazette, make any such provisions as appear to it to be necessary or expedient for removing the difficulty.

(2) Any order under sub-section (1) may be made so as to be retrospective to any date not earlier than the appointed day.

Repeal and
saving.

20. (1) The Pondicherry (Administration) Ordinance, 1962, is 30 8 of 1962. hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act,

STATEMENT OF OBJECTS AND REASONS

The present Bill seeks to replace the Pondicherry (Administration) Ordinance, 1962. That Ordinance was promulgated by the President for the administration of the new Union territory comprising the former French Establishments of Pondicherry, Karikal, Mahe and Yanam. These French Establishments became an integral part of India from the 16th August, 1962 when the Instruments of Ratification in respect of the Treaty of Cession were exchanged between the Government of India and the Government of France.

NEW DELHI;

JAWAHARLAL NEHRU.

The 14th November, 1962.

FINANCIAL MEMORANDUM

The administration of the French Establishments of Pondicherry, Karikal, Mahe and Yanam vested in the Government of India with effect from 1st November 1954, following the agreement between the Governments of India and France. The two Governments had also entered into a treaty in 1966 ceding full sovereignty over these territories to India. This treaty was to come into force on its ratification. The instruments of ratification were exchanged on the 16th of August 1962. Accordingly, with effect from that date, these Establishments have become a part of the Indian Union.

2. With effect from 1st November 1954, all expenditure connected with the administration of these Establishments has been met out of the Consolidated Fund of India. In the current year's budget, the revenue of these Establishments has been estimated at Rs. 2.31 crores and their expenditure at Rs. 4.45 crores. Except in regard to additional expenditure on administration of Justice, following the extension of the jurisdiction of Madras High Court to Pondicherry, the provisions of the Bill are not likely to result in any significant increase in expenditure.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 12 of the Bill empowers the High Court at Madras to make rules regarding the translation of papers filed in the High Court, preparation of paper books for filing appeals, court fees payable for institution of proceedings, process fees, advocates' fees, the procedure in the High Court and the approval, enrolment, suspension and removal of advocates from Pondicherry. As these matters pertain exclusively to administration of justice, the High Court should appropriately deal with them. The delegation of legislative power is of a normal character.

BILL No. 109 OF 1962

A Bill further to amend the State Bank of India Act, 1955, the State Bank of India (Subsidiary Banks) Act, 1959, and the Bankers' Books Evidence Act, 1891, and to provide for the winding up of certain minor State-associated banks and for matters connected therewith.

BE it enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

Short title
and com-
mencement..

1. (1) This Act may be called the State-Associated Banks (Miscellaneous Provisions) Act, 1962.

(2) Section 3, except clauses (ii), (iv) and (vii) thereof, shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint; and the rest of this Act shall come into force at once.

Amendment
of Act 23 of
1955.

2. In the State Bank of India Act, 1955—

(i) in sub-section (3) of section 31, the following proviso shall be inserted at the end, namely:—

“Provided that nothing contained in this sub-section shall apply to such director by reason only of his being—

(i) a shareholder (other than a director) holding not more than two per cent. of the paid-up capital in any public company as defined in the Companies Act, 1956, or any corporation established by or under any law for the time being in force in India or any co-operative society, with which or to which the State Bank has entered into or made, or proposes to enter into or make, a contract, loan, arrangement or proposal; or

1 of 1956.

(ii) a director *ex officio* of the State Bank or a director of a subsidiary bank.”;

(ii) in section 34,—

(a) in sub-section (5), after the words “without security,” the words “or without security of a description authorised by this Act” shall be inserted;

(b) in sub-section (6)—

(i) for the word and figures “section 33”, the words “this Act” shall be substituted;

(ii) the words “interest in” shall be omitted; and

(iii) in section 50, in clause (q) of sub-section (2), after the words “without security” in both the places where they occur, the words “or without security of a description authorised by this Act” shall be inserted.

2. In the State Bank of India (Subsidiary Banks) Act, 1959—

Amendment
of Act
38 of 1959.

(i) in section 2, sub-clause (iii) of clause (b), sub-clause (iii) of clause (c) and sub-clause (iii) of clause (d) shall be omitted;

(ii) in Chapter II, for the existing heading, the following heading shall be substituted, namely:—

“CONSTITUTION OF NEW BANKS AND CHANGE OF NAME OF ANY
SUBSIDIARY BANK”;

(iii) in section 3, clause (c) shall be omitted;

(iv) after section 3, the following section shall be inserted, namely:—

“3A. (1) The Central Government after consulting the State Bank and the Reserve Bank may, by notification in the Official Gazette, direct that the name of any subsidiary bank shall, with effect from such date as may be specified in this behalf, be changed to any other name and thereupon any reference to that subsidiary bank in this Act or any other law for the time being in force or in any contract, instrument or document shall be construed as a reference to that bank by its new name.

Change of
name of a
subsidiary
bank.

(2) The change in the name of a subsidiary bank under sub-section (1) shall not affect any rights or obligations of that bank or render defective any legal proceedings by or

against it, and any legal proceedings which might have been continued or commenced by or against that bank by its former name may be continued by or against it by its new name.”;

(v) in section 12, after sub-section (3), the following sub-section shall be inserted, namely:—

‘(4) For the purposes of this section,—

(a) “corresponding new bank” means in relation to the Bank of Jaipur Limited, the institution constituted under section 3 as the State Bank of Bikaner;

(b) “existing bank” includes the Bank of Jaipur Limited’;

(vi) in section 13, for sub-section (13), the following sub-section shall be substituted, namely:—

‘(13) For the purposes of this section,—

(a) “corresponding new bank” does not include the State Bank of Patiala and means in relation to the Bank of Jaipur Limited the institution constituted under section 3 as the State Bank of Bikaner;

(b) “existing bank” includes the Bank of Jaipur Limited, but does not include the Bank of Patiala.’;

(vii) in section 34, for the proviso to sub-section (5), the following proviso shall be substituted, namely:—

“Provided that nothing contained in this sub-section shall apply to such director by reason only of his being—

(i) a shareholder (other than a director) holding not more than two per cent. of the paid-up capital in any public company as defined in the Companies Act, 1956, or any corporation established by or under any law for the time being in force in India or any co-operative society, with which or to which the subsidiary bank has entered into or made, or proposes to enter into or make, a contract, loan, arrangement or proposal; or

(ii) a director of the State Bank or of any other subsidiary bank being a director under clause (a) or clause (e) of sub-section (1) of section 25 or being an

officer of the Reserve Bank or the State Bank nominated under clause (b) or clause (c) of that sub-section.”;

(viii) in section 36, sub-sections (3) and (4) shall be omitted;
and

(ix) for section 59, the following section shall be substituted, namely:—

“59. (1) For the purposes of sections 45, 49, 55, 58 and the First Schedule, the expression ‘existing bank’ shall include the Bank of Jaipur Limited.

Construction of references to existing banks.

(2) Except as otherwise provided in any general or special order made by the Central Government, any reference in any law, other than this Act, or in any contract of other instrument—

(a) to an existing bank, shall be construed as a reference to the corresponding new bank;

(b) to the Bank of Jaipur Limited, shall be construed as a reference to the State Bank of Bikaner.”.

4. In the Bankers’ Books Evidence Act, 1891, in section 2—

Amendment of Act 18 of 1891.

(i) for clause (1), the following clauses shall be substituted, namely:—

‘(1) “company” means any company as defined in section 3 of the Companies Act, 1956, and includes a foreign company within the meaning of section 591 of that Act;

(1A) “corporation” means any body corporate established by any law for the time being in force in India and includes the Reserve Bank of India, the State Bank of India and any subsidiary bank as defined in the State Bank of India (Subsidiary Banks) Act, 1959;’

(ii) for sub-clause (a) of clause (2), the following clause shall be substituted, namely:—

“(a) any company or corporation carrying on the business of banking.”.

5. (1) Notwithstanding anything to the contrary contained in any other law or in any order or other instrument—

Provisions in respect of the State Bank, Dhoolpur.

(a) the Central Government may by order appoint one or more officers to take over the management of the Dhoolpur bank or to wind up its affairs and distribute its assets and any expenditure incurred in connection with such appointment, management, winding up or distribution shall be payable by that bank;

1 of 1956.

38 of 1959.

(b) the principal civil court of original jurisdiction in the district in which the Dholpur bank's head office is situated shall have exclusive jurisdiction to entertain and decide any claim made by or against the Dholpur bank or any question whatever, whether of law or of fact, which may relate to or arise in the course of the winding up of that bank, whether such claim or question has accrued or arisen before or accrues or arises after the date of the winding up order, and any suit or other legal proceeding, whether of a civil or criminal nature, relating to any such claim or question and pending in any other court at the commencement of this Act shall not be proceeded with except in accordance with this section;

(c) in regard to the admissibility of the entries in the books of account as evidence in the course of the proceedings for the winding up of the bank, the settlement of the list of debtors of the bank, the passing of orders for the payment of the amounts due by the said debtors, the execution of the said orders or any other orders or decrees of the court, the priority of the claims on the bank, the making of preferential payments and the discharge of the other liabilities of the bank and any other incidental or connected matters, the law relating to the winding up of banking companies, as in force for the time being, shall apply as if the Dholpur bank were a banking company;

(d) the period of limitation for any suit or application relating to any payment due to the Dholpur bank which has accrued before or may accrue on or after the date of the first appointment of the officer in charge of winding up of the bank shall be twelve years from the date of the accrual of the claim or five years from the date of such first appointment of the officer aforesaid, whichever may end later; and

(e) after the repayment of all the deposit liabilities and any other amounts due to be paid by the bank including the amounts due to the Government of Rajasthan, the remaining assets, if any, of the bank shall be utilised, as far as may be, for the purposes and objects specified in the State Bank, Dholpur Act, 1915, and other relevant documents.

(2) In this section, "Dholpur bank" means the bank known as the Dholpur State Bank and governed at the commencement of this section by the State Bank, Dholpur Act, 1915.

Amendment
of the State
Bank of
Kurundwad
(Junior)
Act, 1933.

6. In the State Bank of Kurundwad (Junior) Act, 1933,—

(a) in section 22, for the words "The Indian Companies Act as applied to the State," the words and figures "The Companies Act, 1956" shall be substituted; and

(b) after section 22, the following section shall be inserted, namely:—

“22A. No provision of law relating to the winding up of companies or corporations shall apply to the bank and—

Special provision for winding up of the bank.

(i) the provisions of section 5 of the State-Associated Banks (Miscellaneous Provisions) Act, 1962, except the provisions of clauses (d) and (e) of sub-section (1) thereof, and

10 of 1949.

(ii) the provisions of section 45-O of the Banking Companies Act, 1949,

shall apply to or in relation to the bank as if references to the court were references to the principal civil court of original jurisdiction in the district in which the bank's head office is situated and references to the Dholpur bank were references to the State Bank of Kurundwad (Junior) Ltd.”.

STATEMENT OF OBJECTS AND REASONS

It has been decided, in consultation with the State Bank of India and the Reserve Bank that the State Bank of Bikaner, which has been constituted as a subsidiary of the State Bank of India under section 3 of the State Bank of India (Subsidiary Banks) Act, 1959, should take over the undertakings, assets and liabilities of the State Bank of Jaipur, another subsidiary of the State Bank of India, in accordance with the provisions of section 38 of the Act. The State Bank of India and the banks concerned have indicated that they would like the name of the transferee institution, after the amalgamation, to be changed so as to include a reference therein to both Bikaner and Jaipur. As the existing provisions of the law do not provide for a change in the name of any of the statutory subsidiaries of the State Bank of India, it is proposed to amend the State Bank of India (Subsidiary Banks) Act, 1959 suitably, so as to provide for any such change in the name.

2. The opportunity provided by this amendment is also being utilised to clarify the provisions of the State Bank of India Act, 1955, relating to voting by the directors of the State Bank, to modify the provisions of the Bankers' Books Evidence Act, 1891 so as to make it applicable to the Reserve Bank of India, the State Bank of India and other statutory banking corporations, and to provide for the orderly winding up of two minor state-associated banks, namely, the State Bank of Dholpur and the State Bank of Kurundwad (Junior), which were established under statutes enacted by the former Indian rulers but have not been functioning normally for some time.

NEW DELHI;
The 12th November, 1962.

MORARJI DESAI.

*BILL NO. 103 OF 1962

A bill further to amend the All-India Services Act, 1951.

BE it enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

1. This Act may be called the All-India Services (Amendment) Act, 1962. Short title.

61 of 1951. 5 2. In section 2 of the All-India Services Act, 1951 (hereinafter referred to as the principal Act), after the words "the Indian Police Service", the words, figure and letter "or any other service specified in section 2A" shall be inserted. Amendment of section 2.

10 3. After section 2 of the principal Act, the following section shall be inserted, namely:— Insertion of new section 2A.

15 "2A. With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be constituted the following All-India Services and different dates may be appointed for different services, namely:— Other All-India Services.

1. The Indian Service of Engineers (Irrigation, Power, Buildings and Roads);

2. The Indian Forest Service;

3. The Indian Medical and Health Service."

*The President has, in pursuance of clause (3) of article 117 of the Constitution of India, recommended to Lok Sabha the consideration of the Bill

STATEMENT OF OBJECTS AND REASONS

Under article 312(1) of the Constitution, the Rajya Sabha passed a resolution on 6th December, 1961, by the prescribed majority, declaring that it is necessary to provide, in the national interest, for the creation of the following All-India Services, namely:—

- (1) the Indian Service of Engineers (Irrigation, Power, Buildings and Roads),
- (2) the Indian Forest Service, and
- (3) the Indian Medical and Health Service.

The present Bill seeks to create the aforesaid Services by amending the All-India Services Act, 1951. Under section 3 of the Act, the Central Government would be empowered to make rules for the regulation of recruitment, and the conditions of service of persons appointed, to these Services.

NEW DELHI;

LAL BAHADUR.

The 8th November, 1962.

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation, is not likely to involve large expenditure from the Central Revenues. When the new All-India Services mentioned in the Bill will be constituted, the Central Government will have to bear expenditure on—

- (a) Central Cadres,
- (b) Central deputation quota, and
- (c) incidental contributions towards pension, leave salary, etc.

As regards the Central Cadres and the Central deputation quota, as the Central Government is already bearing expenditure in respect of the officers in the Central Services engaged in engineering, forestry and medical and public health duties and in respect of officers borrowed from the State Governments on deputation, the extra expenditure involved under the All-India Services Scheme will be small.

2. As the details of the cadre strengths of the various State Governments and the Central deputation quota are still being worked out, it is not possible to give an estimate of the expenditure involved at this stage.

*BILL NO. 106 OF 1962

A bill further to amend the Workmen's Compensation Act, 1923.

Enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

Short title
and com-
mencement.

1. (1) This Act may be called the Workmen's Compensation (Amendment) Act, 1962.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint. 5

Amendment
of section 2.

2. In section 2 of the Workmen's Compensation Act, 1923 (hereinafter referred to as the principal Act), in sub-section (1),—

8 of 1923.

(i) in clause (g), for the words and figure "in Schedule I", the words and figures "in Part II of Schedule I" shall be substituted; 10

(ii) in clause (l), for the proviso, the following proviso shall be substituted, namely:—

"Provided that permanent total disablement shall be deemed to result from every injury specified in Part I of Schedule I or from any combination of injuries specified in Part II thereof where the aggregate percentage of the loss of earning capacity, as specified in the said Part II against those injuries, amounts to one hundred per cent. or more;" 15

*The President has, in pursuance of clause (3) of article 117 of the Constitution of India, recommended to Lok Sabha the consideration of the Bill.

(iii) in sub-clause (ii) of clause (n), for the words "four hundred rupees", the words "five hundred rupees" shall be substituted.

3. In section 3 of the principal Act,—

Amendment
of section 3.

5 (i) in sub-section (2), the following provisos shall be inserted at the end, namely:—

"Provided that if it is proved,—

10 (a) that a workman whilst in the service of one or more employers in any employment specified in Part C of Schedule III has contracted a disease specified therein as an occupational disease peculiar to that employment during a continuous period which is less than the period specified under this sub-section for that employment, and

15 (b) that the disease has arisen out of and in the course of the employment;

the contracting of such disease shall be deemed to be an injury by accident within the meaning of this section:

20 Provided further that if it is proved that a workman who having served under any employer in any employment specified in Part B of Schedule III or who having served under one or more employers in any employment specified in Part C of that Schedule, for a continuous period specified under this sub-section for that employment and he has after the cessation of such service
25 contracted any disease specified in the said Part B or the said Part C, as the case may be, as an occupational disease peculiar to the employment and that such disease arose out of the employment, the contracting of the disease shall be deemed to be an injury by accident within the meaning of this section.";

30 (ii) for sub-section (2A), the following sub-section shall be substituted, namely:—

35 "(2A) If a workman employed in any employment specified in Part C of Schedule III contracts any occupational disease peculiar to that employment, the contracting whereof is deemed to be an injury by accident within the meaning of this section, and such employment was under more than one employer, all such employers shall be liable for the payment

of the compensation in such proportion as the Commissioner may, in the circumstances, deem just."

Amendment
of section 4.

4. In section 4 of the principal Act, in sub-clause (i) of clause (c) of sub-section (1), for the word and figure "Schedule I", the words and figures "Part II of Schedule I" shall be substituted.

5

Amendment
of section
10.

5. In section 10 of the principal Act, in sub-section (1), after the first proviso, the following provisos shall be inserted, namely:—

"Provided further that in case of partial disablement due to the contracting of any such disease and which does not force the workman to absent himself from work, the period of two years shall be counted from the day the workman gives notice of the disablement to his employer: 10

Provided further that if a workman who, having been employed in an employment for a continuous period, specified under sub-section (2) of section 3 in respect of that employment, ceases to be so employed and develops symptoms of an occupational disease peculiar to that employment within two years of the cessation of employment, the accident shall be deemed to have occurred on the day on which the symptoms were first detected."

Amendment
of section
18A

6. In sub-section (2) of section 18A of the principal Act, for the words "within six months of the date on which the offence is alleged to have been committed", the words "within six months of the date on which the alleged commission of the offence came to the knowledge of the Commissioner" shall be substituted. 20

Amendment
of sections
20 and 21.

7. In the principal Act, in sections 20 and 21, the word "local", wherever it occurs, shall be omitted. 25

Insertion of
new section
36.

8. After section 35 of the principal Act, the following section shall be inserted, namely:—

Rules made
by Central
Government
to be laid
before
Parliament.

"36. Every rule made under this Act by the Central Government shall be laid as soon as may be after it is made before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment 35

shall be without prejudice to the validity of anything previously done under that rule."

9. In Schedule I of the principal Act,—

Amendment
of Schedule
I.

- (i) for the heading "LIST OF INJURIES DEEMED TO RESULT IN PERMANENT PARTIAL DISABLEMENT" the following heading shall be substituted namely:—

"PART I

LIST OF INJURIES DEEMED TO RESULT IN PERMANENT TOTAL DISABLEMENT";

- (ii) after serial No. 6 and the entries relating thereto, the following heading shall be inserted, namely:—

"PART II

LIST OF INJURIES DEEMED TO RESULT IN PERMANENT PARTIAL DISABLEMENT";

- (iii) serial Nos. 7 to 54 shall respectively be re-numbered as serial Nos. 1 to 48.

10. In Schedule II of the principal Act,—

Amendment
of Schedule
II.

- (i) in clause (ii), after the words "with any such manufacturing process or with the article made", the words "whether or not employment in any such work is within such premises or precincts" shall be inserted;

(ii) in clause (iii),

(a) the word "or" occurring at the end shall be omitted;

(b) the following *Explanation* shall be inserted, namely:—

Explanation.—For the purposes of this clause, persons employed outside such premises or precincts but in any work incidental to, or connected with, the work relating to making, altering, repairing, ornamenting, finishing or otherwise adapting for use, transport or sale any article or part of an article shall be deemed to be employed within such premises or precincts; or";

(iii) in clause (xviii), after the word "growing", the word "cardamom" shall be inserted.

Amendment
of Schedule
III.

11. In Part B of Schedule III of the principal Act,—

(i) against the entry "Poisoning by lead, its alloys or compounds or its sequelae excluding poisoning by lead tetra-ethyl" 5 in the first column, for the words "use of lead" in the entry in the second column, the words "use of lead ore or lead" shall be substituted;

(ii) against the entry "poisoning by phosphorus or its compounds, or its sequelae" in the first column, for the entry in the 10 second column, the following entry shall be substituted, namely:—

"Any process involving the liberation of phosphorus or use or handling of phosphorus or its preparations or compounds"; 15

(iii) against the entry "Poisoning by benzene, or its homologues their amido and nitroderivatives or its sequelae" in the first column, for the entry in the second column, the following entry shall be substituted, namely:—

"Any process involving the manufacture, liberation, or 20 use of benzene, benzene homologues and their amido and nitroderivatives";

(iv) against the entry "Chromæ ulceration or its sequelae" in the first column, the following words shall be inserted at the end in the entry in the second column, namely:— 25

"or the manufacture of bichromate";

(v) against the entry "Poisoning by halogenated hydrocarbons of the aliphatic series and their halogen derivatives" in the first column, for the word "distillation" in the entry in the second column, the word "liberation" shall be substituted; 30

(vi) after the existing entries the following entries shall be inserted, namely:—

"Poisoning by manganese Any process involving the use of, or or a compound of manganese, or handling of, or exposure to the fumes, dust or vapour of, manganese 35 or a compound of manganese, or a substance containing manganese.

Poisoning by Organic phosphorus insecticides—hexaethyl tetraphosphate (HETP) Tetraethyl pyrophosphate (TEPP) and 5 co-diethyl O-p-nitrophenylthio-phosphate (PARATHION).

Any process involving the use or handling or exposure to the fumes dust or vapour containing any of the organic phosphorus insecticides.

12. For Schedule IV of the principal Act, the following Schedule shall be substituted, namely:—

Substitution
of Schedule
IV.

SCHEDULE IV

[See section 4]

COMPENSATION PAYABLE IN CERTAIN CASES

15	Monthly wages of the workman injured		Amount of compensation for—		Half-monthly payment as compensation for temporary disablement
			Death	Permanent total Disablement	
	1		2	3	4
20	More than 1 Rs.	But not more than Rs.	Rs.	Rs.	Rs. nP.
	0	10	1,000	1,400	Half his monthly wages
	10	13	1,100	1,540	Do.
	13	18	1,200	1,680	6 50
25	18	21	1,260	1,764	7 00
	21	24	1,440	2,016	8 00
	24	27	1,620	2,268	8 50
	27	30	1,800	2,520	9 50
	30	35	2,100	2,940	9 50
30	35	40	2,400	3,360	10 00
	40	45	2,700	3,780	13 00
	45	50	3,000	4,200	13 00
	50	60	3,600	5,040	18 50
	60	70	4,200	5,880	18 50
35	70	80	4,800	6,720	20 00
	80	100	6,000	8,400	26 00
	100	150	7,000	9,800	37 50
	150	200	7,000	9,800	52 50
	200	300	8,000	11,200	60 00
40	300	400	9,000	12,600	75 00
	400		10,000	14,000	87 50

STATEMENT OF OBJECTS AND REASONS

The Workmen's Compensation Act, 1923, has been amended several times; it was last amended in 1959.

2. The question of revising the rates of compensation has long been under consideration. The present rates of compensation for workmen drawing monthly wages up to Rs. 300 were fixed in 1933. In 1946 when the wage limit for coverage was increased from Rs. 300 to Rs. 400, suitable rates of compensation were provided for workmen drawing monthly wages more than Rs. 300. The existing rates of compensation for death vary from a minimum of Rs. 500 for workmen in the lowest wage-group to a maximum of Rs. 4,500 for workmen in the highest wage-group. For permanent total disablement the rates vary from a minimum of Rs. 700 to a maximum of Rs. 6,300. In view of the considerable rise in the cost of living these rates require revision and are now proposed to be doubled as recommended by the Study Group on Social Security (1958) and the Sub-Committee of the Indian Labour Conference (17th Session). Compensation for temporary disablement is paid in the shape of half-monthly payments for a maximum period of 5 years, the rates of payments varying from a minimum of Rs. 5 to a maximum of Rs. 30. These rates are also proposed to be revised so that they can be brought as near as possible to the corresponding rates of disablement benefit admissible under the Employees State Insurance Act, 1948.

The Sub-Committee of the Indian Labour Conference (17th Session) had also recommended that the wage limit for coverage should be increased from Rs. 400 to Rs. 500. This is being done and suitable rates of compensation are being prescribed for workmen drawing monthly wages more than Rs. 400.

Opportunity is also being taken to make a few minor and consequential amendments, which mainly relate to—

(i) clarifying that the first six injuries specified in Schedule I to the Act shall be deemed to result in permanent total disablement because they result in 100 per cent. loss of earning capacity;

(ii) enabling a workman to claim compensation—

(a) if he contracts an occupational disease mentioned

(1) Part C of Schedule III in less than the period prescribed;

(2) Part B or Part C of Schedule III at any time other than the prescribed period;

(b) within two years from the date notice of disablement is given in case of partial disablement due to an occupational disease where he is not forced to absent himself from work;

(c) within two years from the date the symptoms of an occupational disease are detected if the symptoms develop after leaving employment;

(d) even if he is employed outside the premises or normal place of work but is employed for the purposes of the employer's trade or business;

(iii) launching of prosecution within six months from the date on which the commission of an offence under section 18A comes to the knowledge of the Commissioner;

(iv) modifying the description of certain employments in the list of occupational diseases in Schedule III so as to bring them in line with I.L.O. Convention No. 42 and adding manganese poisoning and telluride poisoning in the list of occupational diseases in Part B of Schedule III.

The Bill seeks to give effect to the above proposals.

NEW DELHI;

The 9th November, 1962

G. L. NANDA.

FINANCIAL MEMORANDUM

The Workmen's Compensation Act, 1923, covers a large number of persons in Central Government undertakings such as the Railways, Posts and Telegraphs, C.P.W.D., etc. Some of the amendments proposed in the Bill will have the effect of increasing the liability of the employers (including the Central Government) for payment of compensation. Clause 2 (iii) of the Bill seeks to increase the wage limit for coverage from Rs. 400 to Rs. 500. In clause 11, it is proposed to include Manganese Poisoning and Follidol Poisoning in the list of occupational diseases in Schedule III to the Act for which compensation will be payable. Clause 12 seeks to replace Schedule IV to the Act by a revised Schedule with a view to—

(i) doubling the existing rates of compensation for death and permanent total disablement,

(ii) suitably revising the rates of compensation for temporary disablement so that they can be brought as near as possible to the corresponding rates of benefit admissible under the Employees State Insurance Act, 1948,

(iii) providing suitable rates of compensation for workmen drawing monthly wages more than Rs. 400.

These proposals in so far as they concern the Central Government undertakings will thus involve increased expenditure from the Consolidated Fund of India. As compensation becomes payable only in the event of an employment injury resulting in disablement or death, it is not possible to estimate the amount of increased expenditure.

*BILL No. 108 OF 1962

A Bill to amend the Indian Tariff Act, 1934

BE it enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Indian Tariff (Amendment) Act, 1962.

Short title
and
commence-
ment.

32 of 1934. 5 (2) It shall come into force on the 1st day of January, 1963.

2. In the Indian Tariff Act, 1934, in the First Schedule,—

Amend-
ment of
First
Schedule.

(1) in Item No. 28 (20),—

10 (a) in the third column headed "Nature of duty", for the word "Protective", wherever it occurs, the word "Revenue" shall be substituted;

(b) for the entries in the fourth column, the entries "50 per cent. *ad valorem*" shall be substituted; and

(c) in the last column headed "Duration of protective rates of duty", the existing entries shall be omitted;

15 (2) in Items Nos. 60(7), 64(b), 70A, 72(35), 72(36) and 72(37), in the last column headed "Duration of protective rates of duty", for the word, figures and letters "December 31st, 1962", wherever they occur, the word, figures and letters "December 31st 1965" shall be substituted;

(3) in Item No. 64 (3),—

(a) in the second column headed "Name of article", for the words "Copper rods, other than electrolytic copper rods", the words "Extruded copper rods and sections other than electrolytic copper rods" shall be substituted; and

5

(b) in the last column headed "Duration of protective rates of duty", for the word, figures and letters "December 31st, 1962", wherever they occur, the word, figures and letters "December 31st, 1965" shall be substituted;

(4) in Items Nos. 67 (2), 68 (2), 68 (4) and 82 (3),—

10

(a) in the third column headed "Nature of duty", for the word "Protective", wherever it occurs, the word "Revenue" shall be substituted; and

(b) in the last column headed "Duration of protective rates of duty", the existing entries shall be omitted;

15

(5) after Item No. 68 (2), the following Item shall be inserted, namely:—

"68 (2A)	Highly polished zinc sheets for making process blocks	Protective	35 per cent. <i>ad valorem</i>	December 31st, 1965";	20
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(6) in Item No. 70 (5),—

(a) in the second column headed "Name of article", for the words "Brass rods", the words "Extruded brass rods and sections", shall be substituted; and

(b) in the last column headed "Duration of protective rates of duty", for the word, figures and letters "December 31st, 1962", the word, figures and letters "December 31st, 1965" shall be substituted;

30

(7) in Item No. 72 (2), the words "or zinc" appearing in the second column headed "Name of article" shall be omitted.

STATEMENT OF OBJECTS AND REASONS

The present Bill seeks to amend the First Schedule to the Indian Tariff Act, 1934 (32 of 1934), in order to continue or discontinue protection to certain industries on the advice of the Tariff Commission.

2. The industries which will continue to be protected are:

<i>Serial No.</i>	<i>Item Number of Tariff</i>	<i>Name of the Industry</i>
1.	60(7)	Sheet Glass.
2.	64(3) [including "extruded copper sections" and excluding "Copper rods manufactured by rolling process"], 64(5), (Highly polished zinc sheets for making process blocks), 70A, 70(5) [including "extruded brass sections" and excluding "Rolled brass rods"]	Non-ferrous metals.
3.	(35), 72(36) and 72(37)	Ball bearings.

3. The industries in respect of which protection will be discontinued from the 1st January, 1963 are:

<i>Serial No.</i>	<i>Item Number of Tariff</i>	<i>Name of the Industry</i>
1.	28(20)	Stearic Acid and Oleic Acid.
2.	64(3) [Copper rods manufactured by rolling process only], 67(2), 68(2), 68(4) and 70(5) [Rolled brass rods only]	Copper rods manufactured by rolling process, Lead sheets other than sheets for teachests, Zinc sheets not otherwise specified, Zinc strips and Rolled brass rods.
3.	82(3)	Plastics-P.F. Moulding Powder.

MANUBHAI SHAH.

NEW DELHI;
The 15th November, 1962.

M. N. KAUL,
Secretary.

